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# Market Administrator's BULLETIN

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CURRENT SERIAL RECORDS

## Secretary Announces Dairy Price Actions

U. S. Department of Agriculture

The Secretary of Agriculture announced two actions to maintain dairy farmer's income during the 1969-70 marketing year. The present support price for manufacturing milk and the present Class I price levels under Federal milk orders will be continued.

The support price for manufacturing milk for the marketing year which begins April 1, 1969, will be \$4.28 for milk of average milkfat content (approximately 3.7 percent). This is 87 percent of the latest parity equivalent price published in late November. The law provides for support at prices between 75 and 90 percent of parity as of the beginning of the marketing year.

Under the Federal order program, the Secretary's action will continue fluid milk prices (Class I) to dairy farmers at their present levels after April 1969, when a temporary 20-cent increase and a basic formula floor price, granted last year for 67 markets is due to expire.

The Secretary said he is terminating the April 30, 1969 expiration dates which provided for the price increases through April. In effect, the action will make prices set by the orders permanent, instead of temporary, at their present levels, officials said.

The price actions include a

continuation of the 20-cent increase in the Class I price differentials now in effect, and a minimum basic formula price of \$4.33 a hundredweight (3.5 percent milkfat content). In a few eastern markets using economic price formulas, comparable action will maintain prices at their present levels.

"The improvement in dairy prices received by farmers in 1968 helped to moderate the decline in total milk production," the Secretary said.

"With an improvement in consumption in market channels, price support purchases of dairy products so far in this marketing year have been substantially smaller than a year earlier. Dairy farmers need assurance now that their incomes will be maintained so that they can plan their dairy operations. The actions announced also will assure an adequate supply of milk and dairy products for consumers."

## More Dairy Products Under Import Controls

U. S. Department of Agriculture, January, 1969

President Johnson, acting on an investigation and report of the U.S. Tariff Commission, has placed limits on additional dairy product imports into the United States, Secretary of Agriculture Orville L. Freeman has announced.

Annual quotas in pounds beginning January 1, 1969 are as follows: Canned milk, 5,391,000; processed Edam and Gouda cheese, 3,151,000; processed Italian type cheese, 1,494,000; Emmenthaler cheese costing less than 47¢ a pound, 4,271,000; Gruyere-process cheese costing less than 47¢ 3,289,000; "other" cheese costing less than 47¢ a pound, 25,001,000 and chocolate milk crumb, 17,000,000.

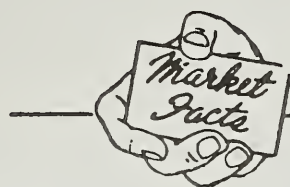
Butterfat/sugar mixtures in consumer packages are brought under the present quota for butterfat-sugar mixtures.

With the new quotas in effect, the only cow's milk dairy products remaining outside the U. S. import control system will be: Emmenthaler cheese, Gruyere-process cheese, and the category of "other" cheeses, costing 47 cents a pound and over.

These are the high-priced miscellaneous specialty cheeses such as are normally found in gourmet food counters and stores. Cheese made from goat's milk and sheep's milk also remains unrestricted, except for most Blue Mold-type cheeses.

(continued on back page)





*Miami Valley*

**MARKET FACTS FOR EASY REFERENCE**

**PRICE SUMMARY**

Producers' Uniform Price (3.5%) .....	
Class I (3.5%) .....	
Class II (3.5%) .....	
Producer Butterfat Differential for each one-tenth percent .....	

Dec. 1968	Nov. 1968	Dec. 1967
\$6.06	\$6.14	\$5.61
6.16	6.16	5.85
4.27	4.19	3.96
8.0¢	8.0¢	7.9¢

**RECEIPTS AND UTILIZATION SUMMARY**

Class I Pounds .....	
Class II Pounds .....	
Percent of Producer Milk in Class I .....	
Percent of Producer Milk in Class II .....	

30,412,161	31,211,188	29,746,650
7,597,865	5,184,833	9,105,944
80.01	85.75	76.56
19.99	14.25	23.44

**PRODUCER MILK RECEIPTS**

Total Pounds of Producer Milk Delivered .....	
Total Number of Producers .....	
Average Daily Receipts per All Producers .....	
Average Butterfat Test .....	
Total Value of Producer Milk at Test .....	
Income per Producer (7 Day Average) .....	
Supply-Demand Adjustment to Class I Price (Cents) .....	

38,010,026	36,396,021	38,852,594
1,353	1,351	1,374
906	898	912
3.95	3.86	3.94
\$2,439,721	\$2,339,481	\$2,313,638
\$407	\$404	\$380
+ 39	+ 39	+ 36

**NUMBER OF PRODUCER CHANGES**

New Producers .....	
Producers Resumed Shipping .....	
Producers off Market .....	

10	5	2
0	3	1
8	14	16

**AVERAGE DAILY SALES (Quarts)**

Milk .....	
Buttermilk .....	
Chocolate .....	
Skim .....	
Cream .....	

322,117	346,271	333,911
7,416	7,938	7,327
22,098	27,767	24,904
102,397	109,272	87,166
6,060	6,075	6,734

COMPARATIVE STATISTICS



MIAMI VALLEY MARKETING AREA



Year	Receipts From Producers	Average Butter-fat Test	Percentage of Producer Milk in Each Class		Uniform Producer Price (3.5%)	Class Prices at 3.5%		Number of Producers	Daily Average Production
			Class I	Class II		Class I	Class II		
1959 . . . .	34,526,259	3.99	78.0	22.0	4.70	4.802	3.353	2,079	551
1960 . . . .	37,425,297	4.01	74.9	25.1	4.54	4.702	3.266	2,020	623
1961 . . . .	38,276,949	3.99	72.1	27.9	4.45	4.544	3.416	1,938	698
1962 . . . .	37,997,625	4.00	73.8	26.2	4.35	4.43	3.238	1,634	750
1963 . . . .	38,941,281	4.00	73.2	26.8	4.42	4.54	3.307	1,468	856
1964 . . . .	39,307,468	4.00	78.4	21.6	4.62	4.77	3.343	1,417	895
1965 . . . .	39,991,299	3.91	74.1	25.9	4.69	4.90	3.578	1,430	902
1966 . . . .	39,684,310	3.93	78.4	21.6	5.55	5.74	4.081	1,379	928
1967 . . . .	38,852,594	3.94	76.6	23.4	5.61	5.85	3.96	1,374	912
1968 . . . .	38,010,026	3.95	80.0	20.0	6.06	6.16	4.27	1,353	906

## Temperature Control Gives 20-Fold Increase In Milk Storage Life

U. S. Department of Agriculture

The normal 1-week storage life of fresh milk can be extended to as much as 20 weeks by controlling pasteurization and storage temperatures, the U. S. Department of Agriculture reports.

In tests conducted under a research contract supervised by USDA's Agricultural Research Service, milk samples pasteurized at 220° F. for 16 seconds and stored at 32° F. passed bacteriological and taste tests after 20 weeks.

Milk pasteurized and stored under normal conditions -- pasteurized at 165 to 172° F. for 16 seconds and stored at 45 to 50° F. -- keeps its original quality for only about 7 days.

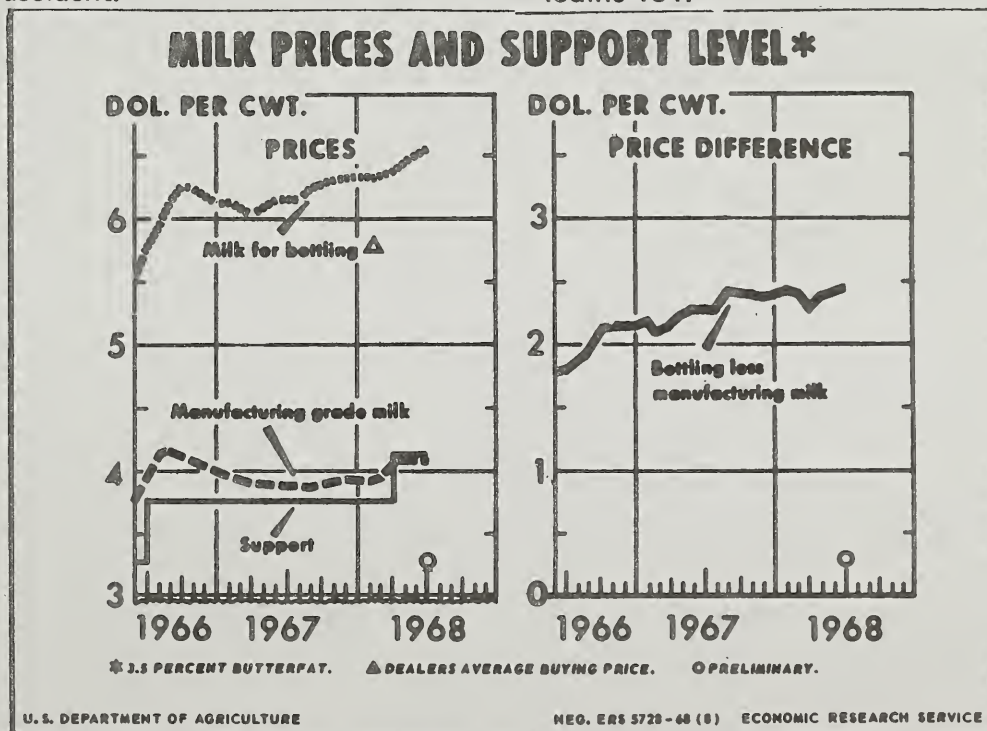
In these tests, conducted by Pet Milk Company, storage life was longest when scientists combined ultra-high pasteurization temperature with near-freezing storage temperature. In general, storage life decreased with milder pasteurization conditions and higher storage temperatures.

Low storage temperature alone increased storage life as much as seven times. Summer milk pasteurized under normal conditions still had good quality after 7 weeks of storage at 32 or 35° F. Winter milk handled the same way maintained good quality for 4 weeks.

Although these results could profoundly affect the dairy industry, the original purpose of the work did not concern normal dairy operations. The research was part of a continuing ARS program to develop methods of protecting the Nation's milk supply in the event of nuclear attack or accident.

The radioactive nuclide iodine-131 has a half-life of 8 days, and virtually disappears within 40 days. The scientists wanted to determine whether milk could be stored long enough to permit the natural decay of this radioactive substance to a harmless level.

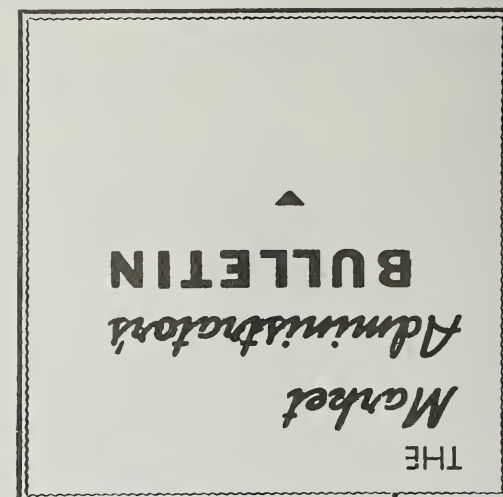
Their work showed that under emergency conditions milk could be stored long enough to permit decay of iodine-131.



U. S. milk and dairy product supplies in 1968 were equivalent to about 127.6 billion pounds of milk, slightly more than 1967, because of large carryover stocks of dairy products.

In 1968, commercial and farm use of milk was lower than in the previous year. However, USDA use of Government supplies in various programs increased total use of milk. This lowered year-end Government stocks by about one-fourth to the equivalent of 3 billion pounds of milk.





## More Dairy Products . . .

(Continued from Front Page)

Dairy imports are limited under Section 22 of the Agricultural Adjustment Act, as amended, whenever the President finds that the level of dairy imports is such as to interfere or threaten to interfere materially with the U. S. price support program for milk and butterfat.

Emergency quotas were placed on canned milk in June 1968 and on most of the cheeses concerned in September 1968. There have not previously been quotas on chocolate milk crumb, processed Italian-type cheeses and butterfat/sugar mixtures in consumer packages.

In announcing the emergency quotas and recommending the Tariff Commission investigation last June, Secretary Freeman noted that the world-wide dairy surplus was causing dairy products to be unloaded on the U. S. market in excessive quantities and usually at subsidized prices. He said the U. S. market was particularly threatened by imports of low-priced cheeses used in processing in this country.

The Secretary said the Tariff Commission agreed that unrestricted imports would interfere with the dairy program and recommended they be limited.

It is estimated that 1969 U. S. imports of all dairy products -- both within and outside the import control system -- will amount to approximately 1.3 billion pounds (milk equivalent).

DECEMBER

1968

## Market Quotations

MINNESOTA-WISCONSIN PRICE SERIES . . . . .	\$4.30
Butter-nonfat dry milk price, 3.5% per cwt. (Columbus) . . . . .	4.27
Average Price per lb. 92-score butter at Chicago . . . . .	.6873
Average carlot prices, spray process nonfat dry milk, f.o.b. Chicago area manufacturing plants . . . . .	.2273

## Milk For Millions

U. S. Department of Agriculture  
December, 1968

Drinking milk for some 127 million Americans comes from milk dealers who get their supply from dairy farmers regularly serving the Nation's 67 Federal milk marketing areas, according to the Consumer and Marketing Service of the U. S. Department of Agriculture.

The farmers delivered 56.6 billion pounds of milk during calendar year 1968--over 13 billion half gallons. This milk moving off the farm into the marketing stream was valued to the farmers at about \$3.2 billion at minimum order prices.

Federal orders are initiated at the request of dairy farmers, and administered by the C&MS Dairy Division through local market administrators.

The 67 marketing areas in which Federal milk orders were operating at the end of 1968 included most of the

Nation's major population centers. New orders, expansions in marketing areas of older orders, and the population growth in areas already covered, accounted for the increase in total population in the milk order areas.

The orders set minimum or floor prices to dairy farmers, based essentially on supply and demand conditions in each marketing area, which dealers are to pay for the milk they receive from dairy farmers.

The Federal orders do not regulate retail milk prices. But they serve to stabilize marketing conditions between dairy farmers and milk dealers. And this gives the farmer the confidence he needs to make long-range plans and investments to keep the American consumer supplied with a sure supply of fresh, wholesome milk.